

# EXHIBIT B

**Exhibit B**

**Proposed Bid Draft SPA Material Terms**

|    | <b><u>Material Term</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b><u>Proposed Position Regarding Any Changes</u></b>                                                                      |
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| 1. | <b>Parties to the Agreement.</b> PDVH/CITGO and PDVSA/the Republic will not be parties to the SPA (unless PDVH/CITGO or PDVSA/the Republic elects to submit a bid).                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Non-Negotiable.</b>                                                                                                     |
| 2. | <b>Financing Commitment.</b> All bids must be fully financed and such financing must be free of contingencies other than the Closing Conditions in the SPA. Any bid including third party financing will need to submit final commitment letters in order to be considered for selection as a Stalking Horse Bid. Any bid including third party financing submitted during the Topping Period will need to deliver final commitment letters signed by such third party financing source prior to the end of the Topping Period in order to be considered for the Special Master's Final Recommendation. | <b>Non-Negotiable.</b>                                                                                                     |
| 3. | <b>Purchase Price and Adjustments.</b> Purchase price will be a fixed dollar amount for the shares of PDVH ( <i>i.e.</i> , no enterprise value calculation), typical of a public company M&A transaction. No purchase price adjustments will be accepted. No "lock box", "leakage" or similar constructs will be accepted. Bidders will receive protection through the interim operating covenants that PDVH/CITGO will be operated in the ordinary course of business between signing and closing.                                                                                                     | <b>Non-Negotiable.</b>                                                                                                     |
| 4. | <b>Treatment of Citgo Debt.</b> Provide flexibility to bidders on whether to roll existing CITGO debt or pay off "Specified Debt."                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Provide Flexibility.</b>                                                                                                |
| 6. | <b>Indemnities.</b> No indemnities will be provided to buyer. Bidders should seek R&W or other insurance to cover identified risks and/or factor such risks into their proposed purchase price.                                                                                                                                                                                                                                                                                                                                                                                                         | <b>Non-Negotiable.</b>                                                                                                     |
| 7. | <b>Escrows.</b> Any portion of the purchase price being payable to an escrow will be strongly disfavored and have no value attributed to it by the Special Master unless the applicable judgment holder consents to receive the escrow.                                                                                                                                                                                                                                                                                                                                                                 | <b>Strongly Disfavored.</b>                                                                                                |
| 8. | <b>Earn-Out Payment / Deferred Purchase Price.</b> Any "earn-out" or deferred purchase price concepts will be strongly disfavored and have no value attributed to them by the Special Master unless the applicable judgment holder consents to receive the earn-out payment/deferred purchase price.                                                                                                                                                                                                                                                                                                    | <b>Strongly Disfavored.</b>                                                                                                |
| 9. | <b>Representations and Warranties Relating to the Company and the Special Master.</b> R&Ws will be provided on the basis of the information provided by certain members of CITGO management as described in the Procedures Summary.<br><br>A suite of representations and warranties and corresponding                                                                                                                                                                                                                                                                                                  | <b>Strongly Disfavored.</b><br>Given the extensive negotiation of the R&Ws in connection with the sale process to date and |

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|     | Company Disclosure Schedules will be prepared based upon the representations and warranties negotiated in connection with the sale process to date, together with certain modifications reflecting input from CITGO management.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | significant historical and anticipated future input from CITGO management, further comments / requests for additional R&Ws will be strongly disfavored.                                                                                                   |
| 10. | <b>Interim Operating Covenants.</b> A suite of IOCs intended to minimize changes to the ordinary course operation of the business will be developed with input from CITGO management.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>Strongly Disfavored.</b> Extensive comments / requests for additional IOCs will be strongly disfavored.                                                                                                                                                |
| 11. | <b>Regulatory Efforts Standard.</b> Include a hell-or-high-water regulatory efforts standard.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>Strongly Disfavored.</b> Given the direct impact on closing certainty of revisions to the bidder commitment to obtain regulatory approvals, revisions to this covenant which bring into question the certainty of closing will be strongly disfavored. |
| 12. | <b>No Solicitation.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Subject to Court order regarding bidder protections.                                                                                                                                                                                                      |
| 13. | <b>Casualty Loss.</b> No “Casualty Loss” or similar provisions will be accepted as they introduce uncertainty to the closing consideration to be delivered to the creditors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>Non-Negotiable.</b>                                                                                                                                                                                                                                    |
| 14. | <p><b>Closing Conditions.</b></p> <p>a. <u>Mutual Closing Conditions</u> to include:</p> <ul style="list-style-type: none"> <li>i. No Law or Order in effect restraining, enjoining or prohibiting the consummation of the transaction.</li> <li>ii. The Sale Order Entry shall have occurred.</li> <li>iii. Obtaining of OFAC License.</li> <li>iv. HSR approval (or expiration of waiting period).</li> <li>v. Other regulatory approvals (if applicable).</li> </ul> <p>b. <u>Buyer Closing Conditions</u> to include:</p> <ul style="list-style-type: none"> <li>i. Bring-down of Special Master R&amp;Ws limited to <u>only</u> fundamental R&amp;Ws.</li> <li>ii. Special Master shall have performed and complied in all material respects with all</li> </ul> | <b>Strongly Disfavored.</b> Additional closing conditions that introduce uncertainty to closing will be strongly disfavored.                                                                                                                              |

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|     | <p>obligations and agreements required under the SPA.</p> <p>iii. No Company Material Adverse Effect shall have occurred and remain ongoing. Off-market revisions to the definition of Material Adverse Effect will be strongly disfavored. For the avoidance of doubt, it is non-negotiable that events relating to the 2020s litigation will be specifically excluded from consideration in determining a Material Adverse Effect.</p> <p>iv. The Sale Order shall be in full force and effect in all respects and not subject to any stay, but no affirmance by appellate court is necessary to close.</p> <p>c. <u>Special Master Closing Conditions</u> to include:</p> <p>i. Bring-down of Buyer R&amp;Ws.</p> <p>ii. Buyer shall have performed and complied in all material respects with all obligations and agreements required under the SPA.</p>                                                                                                                                                                                                                                                                                                                        |                                                                                                                                     |
| 15. | <b>Outside Date.</b> Minimum of 12 months with two automatic 90-day extensions for regulatory approval.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>Non-Negotiable.</b>                                                                                                              |
| 16. | <p><b>Termination Rights.</b> Termination rights to include:</p> <p>a. The <b>Special Master</b>, subject to Court approval, and the <b>Buyer</b> may terminate by mutual written consent.</p> <p>b. The <b>Special Master</b> or the <b>Buyer</b> may terminate if the closing has not occurred by the Outside Date.</p> <p>c. The <b>Special Master</b> may terminate for a Superior Proposal.</p> <p>d. The <b>Buyer</b> may terminate if there has been a breach by the Special Master of any of its representations, warranties, covenants or agreements resulting in the failure of the closing condition (subject to a 45-day cure right).</p> <p>e. Subject to Court approval, the <b>Special Master</b> may terminate if there has been a breach by the Buyer of any of its representations, warranties, covenants or agreements resulting in the failure of the closing condition (subject to a 45-day cure right).</p> <p>f. The <b>Buyer</b> or the <b>Special Master</b> may terminate if there is any Law that makes consummation of the transactions illegal or otherwise prohibited or if any Order enjoining the Buyer, the Special Master or the Company from</p> | <p><b>Strongly Disfavored.</b> Additional termination rights that introduce uncertainty to closing will be strongly disfavored.</p> |

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|     | consummating the Transactions is entered and such Order becomes final and non-appealable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                   |
| 17. | <b>Termination Fee &amp; Expense Reimbursement.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Subject to Court order regarding bidder protections.                                                                                                              |
| 18. | <p><b>2020 Bonds.</b> No trust/escrow constructs or similar revisions impacting certainty of funds payable relating to the 2020 bonds will be included.</p> <p>No stand-alone closing conditions relating to the 2020 bonds will be included.</p> <p>The SPA will not include any requirement or condition with respect to the 2020 Bond Entities other than that Buyer acknowledges that the 2020 Bond Entities purport to have a pledge of 50.1% of the equity of CITGO Holding, Inc., which is disputed by the Venezuela Parties and is subject to active litigation.</p>                                                                                                  | <b>Non-Negotiable.</b> Bidders are welcome to address the 2020s separately, but this should not impact closing certainty or clarity around proceeds to creditors. |
| 19. | <p><b>Alter Ego Claims.</b> No trust/escrow constructs or purchase price alterations relating to Alter Ego claims will be included unless expressly agreed to by the affected Sale Process Party or Attached Judgment Creditor.</p> <p>No stand-alone closing conditions relating to Alter Ego Claims will be included.</p>                                                                                                                                                                                                                                                                                                                                                   | <p><b>Strongly Disfavored.</b></p> <p><b>Non-Negotiable.</b></p>                                                                                                  |
| 20. | <p><b>Company Employee-Related Covenants.</b></p> <ul style="list-style-type: none"> <li>a. No termination, amendment or waiver of Company employment contracts will be included.</li> <li>b. The SPA will include a customary covenant obligating buyer to maintain employee severance, compensation and benefits consistent with market practice.</li> <li>c. The SPA will include a customary covenant obligating buyer to maintain existing D&amp;O indemnification commitments (including acquisition of a D&amp;O tail policy).</li> <li>d. The SPA will include a customary release for CITGO management who participate and cooperate in the sale process.</li> </ul> | <p><b>Strongly Disfavored.</b></p> <p>Material comments to these provisions will be strongly disfavored.</p>                                                      |